



Notice, Pursuant to Exchange By-law 18-2, of Disciplinary Action Consolidated Trading, LLC., Member Organization

To: Members, Member Organizations, Participants and Participant Organizations
From: John C. Pickford, Enforcement Counsel, NASDAQ OMX PHLXSM
DATE: June 2, 2011

NASDAQ OMX PHLX No. 11-01-1 Enforcement No. 2011-03

On June 1, 2011, the Business Conduct Committee (the "Committee") issued a disciplinary decision against Consolidated Trading, LLC. ("Consolidated"), a member organization of the Exchange. In response to a Statement of Charges issued in this action, Consolidated submitted an Offer of Settlement, Stipulation of Facts and Consent to Sanctions ("Offer"). Solely to settle this proceeding, and without admitting or denying the charges, Consolidated consented to findings that it violated Exchange Rule 1002 twice by: (i) exceeding the options exercise limit of 250,000 contracts by 514,000 and 66,200 contracts respectively. Consolidated's Offer was accepted by the Committee and was the basis of its Decision.

The Committee found that Consolidated violated Exchange Rule 1002, concurred in the sanctions consented to by it, and ordered the imposition of the following sanctions: (i) a censure, (ii) disgorgement of improperly received profits in the amount of \$33,000 (iii) a fine of \$5,000.

For more information, contact:

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